

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

**APPEAL BRIEF**

**Application No.:** 09/694191

**Customer No.:** 22927

**Attorney Docket No.:** 96-059-C1

**Date Filed:** October 23, 2000

**Title:** METHOD AND DEVICE FOR GENERATING A  
SINGLE-USE FINANCIAL ACCOUNT NUMBER

**Applicants:** Walker et al.

**Group Art Unit:** 3621

**Examiner:** BACKER, Firmin  
(571) 272-6703 /voice  
(571) 273-8300 /fax

**BOARD OF PATENT APPEALS  
AND INTERFERENCES**

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Dear Sir:

Appellants submit this Appeal Brief following the Examiner's Office Action  
mailed July 24, 2006 (Paper No. 30).

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**REAL PARTY IN INTEREST**

The present application is assigned to Walker Digital, LLC, 2 High Ridge Park, Stamford, CT 06905.

## **RELATED APPEALS AND INTERFERENCES**

Appellants, Appellants' legal representative and Appellants' assignee know of no interferences or appeals that will directly affect, be directly affected by, or have a bearing on the Board's decision in the pending appeal.

## **STATUS OF CLAIMS**

Claims 15, 18, 26-32, and 34-42 are pending, are rejected, and are being appealed.

Claims 1-14, 16, 17, 19-25, and 33 were cancelled.

## **STATUS OF AMENDMENTS**

No amendments have been filed subsequent to the Final Office Action mailed July 24, 2006.

## SUMMARY OF CLAIMED SUBJECT MATTER

Claims 15, 18, and 35-37 are independent.

Concise explanations of the independent claims are provided below. As required by 37 C.F.R. § 41.37(c)(1)(v), reference is made to the Specification. Any such reference and / or accompanying explanation:

(i) is by way of example of the claimed subject matter only and is not a comprehensive description of the scope of the independent claim being discussed, nor a comprehensive listing of support in the specification for the independent claim being discussed;

(ii) might be potentially useful in clarifying the particular subject matter of the particular independent claim being discussed (and not other claims or “the invention” as a whole), unless explicitly stated otherwise; and

(iii) is not to be considered as broadening or narrowing or otherwise affecting the interpretation of any claim or part of a claim, unless explicitly stated otherwise.

Additionally, any explanation or reference to the specification which refers to more than one claim, or is utilized in the explanation of more than one claim, is not to be considered as broadening or narrowing or otherwise affecting the interpretation of any claim or part of a claim, and is not to be considered as indicating any equivalence of any claims or parts of a claim.

## **1. Independent Claim 15**

Independent Claim 15 recites an apparatus comprising a processing unit, an input device, a transmitting/receiving device, and an output device in communication with the processing unit.

The input device is operable to input thereto a second account identifier. For some non-limiting examples, see Specification, page 2, lines 8-31; page 13, lines 11-16; FIG. 3A (302); FIG. 3B (361); FIG. 11A (1101, 1102); and accompanying text.

The second account identifier is for use in place of a first account identifier and is a single-use account identifier specific to a transaction. For some non-limiting examples, see Specification, page 13, lines 1-32; page 14, lines 1-13; page 25, lines 6-9; page 25, line 20 to page 26, line 3; page 26, lines 9-11; FIG. 3A (300, 302); FIG. 3B (360, 361, 362, 363, 380, 390, 395); FIG. 11A (1102, 1103, 1106); FIG. 11B (1124); FIG. 13 (1301, 1302); and accompanying text.

The second account identifier does not include the entire first account identifier. For some non-limiting examples, see Specification, page 23, lines 1-3; FIG. 13 (501, 1301).

The processing unit is in communication with a central credit card processing system maintained by the credit card issuer. In particular, the transmitting/receiving device is operable (1) to transmit the second account identifier to the central credit card processing system maintained by a credit card issuer for verification thereof, and (2) to receive information from the credit card processing system regarding authorization of the second account identifier. For some non-limiting examples, see Specification, page 2, lines 8-31; page 12, lines 9-18; page 13, lines 12-25; page 14, lines 14-17, 21-30; page 24, lines 31-32; page 25, lines 22-24; page 26, lines 6-8; FIG. 3A (302, 303); FIG. 3B (362, 363, 380,



390, 395); FIG. 4 (400); FIG. 11A (1102); FIG. 11B (1123); FIG. 12 (1200); and accompanying text.

The output device is operable to output the information regarding authorization of the second account identifier. The processing unit is in communication with the central credit card processing system maintained by the credit card issuer. For some non-limiting examples, see Specification, page 2, lines 8-31; page 13, lines 21-25; page 26, lines 7-8; FIG 3 (390, 395); and accompanying text.

## **2. Independent Claim 18**

Independent Claim 18 recites a method. The method could be performed, for example, using the apparatus of Claim 15, described above. The method includes a step providing a processing unit, wherein the processing unit is in communication with a central credit card processing system maintained by a credit card issuer. The method further includes inputting a second account identifier to said processing unit; transmitting the second identifier to the central credit card processing system for verification thereof; and receiving information from the central credit card processing system regarding authorization of a transaction based on said verification. The second identifier is an account identifier for use in place of a first account identifier, is specific to the transaction, and does not include the entire first account identifier. For some non-limiting examples of such functions and subject matter, please refer to the citations provided for the corresponding subject matter in the description of Claim 15 above.

## **3. Independent Claim 35**

Independent Claim 35 recites a method. The method includes receiving a product identifier that identifies a product, in which the product is associated with

a transaction. The method includes receiving a credit card number from a customer as payment for the transaction, in which the credit card number is for use only one time, and is for use in place of an account number that identifies a credit card account. The method includes transmitting the credit card number for authorization of the transaction; receiving information indicating whether the transaction is authorized; and providing the product to the customer if the customer is authorized. For some non-limiting examples, see Specification, page 2, lines 8-31; page 12, lines 9-18; page 13, lines 1-32; page 14, lines 1-17, 21-30; page 25, lines 6-9; page 24, lines 31-32; page 25, line 20 to page 26, line 8; page 26, lines 9-11; FIG. 3A (300, 301, 302, 303, 320); FIG. 3B (360, 361, 362, 363, 380, 390, 395); FIG. 4 (400); FIG. 11A (1102, 1103, 1106); FIG. 11B (1123, 1124); FIG. 12 (1200); FIG. 13 (1301, 1302); and accompanying text.

The credit card number has the same number of digits as the account number. For some non-limiting examples, see Specification, page 13, lines 7-9; page 16, lines 2-8; FIG. 13 (501, 1301).

#### **4. Independent Claim 36**

Independent Claim 36 recites a method that includes receiving a product identifier that identifies a product associated with a transaction, receiving from a cardholder a single-use credit card number that has the same number of digits as the account number and is for use in place of an account number that identifies a credit card account, and providing a product to the cardholder. For some non-limiting examples of such functions and subject matter, please refer to the citations provided for similar subject matter in the description of Claim 35 above.

The method also includes determining a transaction amount that is associated with the transaction, and, after receiving the single-use credit card number from the cardholder, transmitting the single-use credit card number and the

transaction amount to a credit card issuer for authorization of a transaction. The method also includes receiving information from the credit card issuer indicating whether the credit card account has sufficient credit available for the transaction. For some non-limiting examples, see Specification, page 18, lines 20-32; FIG. 9B (926, 928); page 25, lines 22-24; FIG. 11A (1102); page 26, lines 5-8; FIG. 11B (1121).

## **5. Independent Claim 37**

Independent Claim 37 recites a method that includes receiving, at a terminal of a merchant, a single-use credit card number that is for use in place of an account number that identifies a credit card account and that has the same number of digits as the account number. For some non-limiting examples of such functions and subject matter, please refer to the citations provided for similar subject matter in the description of Claim 35 above.

The method also includes receiving, at the terminal, an indication of an amount of a purchase. For some non-limiting examples of such functions and subject matter, please refer to the citations provided for similar subject matter in the description of Claim 36 above.

The method also includes after receiving the single-use credit card number at the terminal, transmitting the single-use credit card number and the amount of the purchase to a credit card issuer for authorization of the purchase. The method also includes receiving, at the terminal, information from the credit card issuer indicating whether the purchase is authorized. For some non-limiting examples, see Specification, page 18, lines 20-32; FIG. 9B (926, 928); page 25, lines 22-24; FIG. 11A (1102); page 26, lines 5-8; FIG. 11B (1121).

## GROUND OF REJECTION TO BE REVIEWED ON APPEAL

### 1. Section 102(e)—Zampese

Claims 35-42 stand rejected under 35 U.S.C. § 102(e) as being anticipated by subject matter allegedly described in:

U.S. Patent No. 6,014,650 issued to Zampese (“Zampese”).

### 2. Section 103(a)—Zampese + Bezos

Claims 15, 18, 26-32, and 34 stand rejected under 35 U.S.C. § 103(a) as being obvious in light of findings allegedly supported by:

Zampese; and

U.S. Patent No. 5,727,163 issued to Bezos (“Bezos”).

Appellants note that the Final Office Action indicates that Claims 35-42 are also subject to this ground of rejection (see page 4, paragraph 11). Only Claims 15, 18, and 26-32 were addressed in the section of the Final Office Action directed to the Section 103(a) rejections (see pages 4-7). Appellants assume the reference to Claims 35-42 on page 4 was inadvertent, and that those claims are only rejected under Section 102(e) (discussed above).

## ARGUMENT

### 1. Summary of Arguments

All of the rejections are inappropriate and Appellants respectfully request that the rejections be reversed.

#### 1.1. Section 102(e) Rejections: Claims 35-42

The Examiner has failed to establish a prima facie case that the cited evidence (Zampese) teaches (explicitly or implicitly) all of the claimed subject matter of any claim. The subject matter relied upon by the Examiner as teaching a *single-use credit card number* is an alleged combination of two pieces of information (both the “account code 30” and a “transaction code 32”). The Examiner relies upon the “account code 30” as teaching *an account number that identifies a credit card account*. Zampese, however, does not remotely suggest any combination of the “account code 30” and “transaction code 32” such that the number of digits of the combination is exactly equal to the number of digits of only the “account code 30.” Accordingly, nothing in Zampese suggests a *single-use credit card number* (or *credit card number for use only one time*) that has the same number of digits as *an account number that identifies a credit card account*. The Examiner has failed to establish by substantial evidence of record a prima facie case of anticipation for any claim, and the Section 102(e) rejections must be reversed.

#### 1.2. Section 103(a) Rejections: Claims 15, 18, 26-32, and 34

The Examiner has not made any prima facie case of obviousness, and in any event no evidence is of record that could support a showing of obviousness for any

of Claims 15, 18, 26-32, and 34. The rejections of Claims 15 and 18 fail at least because no combination of Zampese and Bezos teaches or suggests *wherein the second account identifier does not include the entire first account identifier and wherein the second account identifier is a single-use account identifier specific to a transaction*. Contrary to the Examiner's implied reasoning, Bezos clearly teaches that a complete credit card account number is required to finalize a transaction, and does not remotely suggest that only a portion of a credit card number can be used to authorize any transaction. Also, neither the portion nor the complete credit card number discussed in Bezos are specific to a particular transaction. Accordingly, the proposed combination of subject matter would not provide for all of the features of any of independent Claims 15 and 18, which allow for authorization of second account identifiers that do not include the entire first account identifier and are a single-use account identifier specific to a transaction. The Examiner has failed to establish by substantial evidence of record a prima facie case of obviousness for any claim, and the Section 103(a) rejections must be reversed.

## 2. **Form of Appeal Brief**

In the arguments herein, limitations of the claims are indicated in *italics* and the references of record are indicated by underlining.

In separate arguments of patentability for separate claims (or groups of claims), Appellants have, where possible, referred to prior arguments to avoid undue repetition.

In the arguments below, Appellants refer to:

- Final Office Action: Final Office Action mailed July 24, 2006.

### 3. The Zampese Reference

Zampese describes a system in which a “unique account identifier” and a “unique set of secret transaction codes, each secret transaction code to be used once and only once for a single purchase with that transaction identifier so that each purchase is verified by an account identifier and a secret transaction....” Column 1, lines 59-66.

In the Zampese system, to make a purchase a purchaser must submit both (1) the unique account identifier and (2) one of the secret transaction codes: “a purchase request from a purchaser includes the purchaser’s account code and a transaction code....” Column 2, lines 22-25. In other words, the account code cannot be used alone without the transaction code, or vice versa: every request must include both.



#### 4. Section 102(e)—Zampese

Appealed Claims 35-42 stand rejected under 35 U.S.C. § 102(e) as being anticipated by Zampese.

Substantial evidence is required of all factual findings, as discussed above. Absent substantial evidence, no prima facie case of anticipation exists.

The rejection of Claims 35-42 is flawed because the Examiner has not made a prima facie case of anticipation:

- the Examiner has failed to establish by substantial evidence of record that the claimed subject matter of *a single-use credit card number (or credit card number for use only one time) that is for use in place of an account number that identifies a credit card account and that has the same number of digits as the account number*, was known at the time of invention
- the Examiner has otherwise failed to provide substantial evidence that any of Claims 35-42 was known at the time of Appellants' invention.

#### 4.1. Applicable Law

##### 4.1.1. Prima facie burden

The examiner bears the initial burden, on review of the prior art or on any other ground, of presenting a prima facie case of unpatentability. If examination at the initial stage does not produce a prima facie case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445, 24 U.S.P.Q.2D 1443, 1444 (Fed. Cir. 1992).

**4.1.2. Substantial evidence required for all factual findings**

The Board is not permitted to accept conclusory, unsupported findings made by the Primary Examiner that are not supported by substantial evidence made of record.

All findings of fact by the U.S. Patent and Trademark Office must be supported by substantial evidence within the record. In re Gartside, 203 F.3d 1305, 1315, 53 U.S.P.Q.2D 1769, 1775 (Fed. Cir. 2000).

The Supreme Court has described “substantial evidence” in the following manner:

substantial evidence is more than a mere scintilla. It means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion. . . . Mere uncorroborated hearsay or rumor does not constitute substantial evidence.

Consolidated Edison Co. v. NLRB, 305 U.S. 197, 229, 83 L. Ed. 126, 59 S. Ct. 206 (1938); see also, Dickinson v. Zurko, 527 U.S. 150, 162, 50 U.S.P.Q.2D 1930, 1935, 144 L. Ed. 2d 143, 119 S. Ct. 1816 (1999) (“Zurko III”).

“[R]eview under this standard involves an examination of the record as a whole, taking into consideration evidence that both justifies and detracts from the agency’s decision.” Universal Camera Corp. v. NLRB, 340 U.S. 474, 487-88, 95 L. Ed. 456, 71 S. Ct. 456 (1951); Zurko III, 527 U.S. at 162.

**4.1.3. Anticipation**

Anticipation requires identity of the claimed process and a process of the prior art; the claimed process, including each step thereof, must have been described or embodied, either expressly or inherently, in a single reference. Minnesota Min. & Mfg. Co., v. Johnson & Johnson Orthopedics, Inc., 976 F.2d 1559, 24 U.S.P.Q.2D 1321 (Fed. Cir. 1992); Glaverbel S.A. v. Northlake Mkt’g & Supp., Inc., 45 F.3d 1550, 33 U.S.P.Q.2D 1496 (Fed. Cir. 1995). “A claim is anticipated only if each and every element as set forth in the claim is found, either

expressly or inherently described, in a single prior art reference.” Verdegaal Bros. v. Union Oil Co. of California, 814 F.2d 628, 631, 2 U.S.P.Q.2D 1051 (Fed. Cir. 1987).

The elements of the claim must either be inherent or disclosed expressly in the reference. Constant v. Advanced Micro-Devices, Inc., 848 F.2d 1560, 7 U.S.P.Q.2D 1057 (Fed. Cir. 1988).

There must not be any differences between the claimed invention and the prior art disclosure, as viewed by a person of ordinary skill in the art, for anticipation to exist. Scripps Clinic & Res. Found. v. Genentech, Inc., 927 F.2d 1565, 18 U.S.P.Q.2D 1001 (Fed. Cir. 1991). Thus, the absence of any claim element from the reference negates anticipation. Kloster Speedsteel AB v. Crucible Inc., 793 F.2d 1565, 230 U.S.P.Q. 160 (Fed. Cir. 1986).

Further, as explained in Motorola, Inc. v. Interdigital Tech. Corp.:

For a prior art reference to anticipate a claim, the reference must disclose each and every element of the claim with sufficient clarity to prove its existence in the prior art. See In re Spada, 911 F.2d 705, 708, 15 U.S.P.Q.2D (BNA) 1655, 1657 (Fed. Cir. 1990) (“The [prior art] reference must describe the applicant’s claimed invention sufficiently to have placed a person of ordinary skill in the field of the invention in possession of it.” (citations omitted)). Although this disclosure requirement presupposes the knowledge of one skilled in the art of the claimed invention, that presumed knowledge does not grant a license to read into the prior art reference teachings that are not there.

121 F.3d 1461, 1473, 43 U.S.P.Q.2D 1481, 1490 (Fed. Cir. 1997).

#### **4.1.4. Claim interpretation must be consistent with the specification**

During examination, claims are given their broadest reasonable interpretation that those skilled in the art would reach, consistent with the specification. In re Hyatt, 211 F.3d 1367, 1372, 54 U.S.P.Q.2D 1664, 1667 (Fed. Cir. 2000); In re Cortright, 165 F.3d 1353, 1359, 49 U.S.P.Q.2D 1464, 1468 (Fed. Cir. 1999). The “PTO applies to verbiage of the proposed claims the broadest

reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in applicant's specification." In re Morris, 127 F.3d 1048, 1054-55, 44 U.S.P.Q.2D 1023, 1027 (Fed. Cir. 1997).

#### **4.2. Examiner's Factual Findings**

The Examiner asserts that Zampese teaches:

a single-use credit card number (*purchasers code and transaction code, 32*), in which the single-use credit card number is for use only one time (*transaction code 32-37, unique to each purchase*), and in which the credit card number (*account code, 30*) is for use in place of an account number that identifies a credit card account

[Final Office Action, page 4].

To summarize, the Examiner finds that the recited single-use credit card number in Claims 35-42 is taught by a combination of the "purchasers code and transaction code 32.

Although it is not entirely clear, Appellants have assumed that by "purchasers code" the Examiner is referring to the "unique account identifier" or "account code 30" issued to purchasers in the Zampese system. Confusingly, the Examiner also seems to assert the recited *single-use credit card number for use in place of an account number* as taught by the "account code 30" alone. Appellants assume that the Examiner intended to say that the recited *account number* (not the *single-use credit card number*) is taught by the "account code 30." In support of this assumption, Appellants note that Zampese does not suggest that the "account code 30" is not for single use, and is not for use in place of anything else; it is the "unique account identifier" that must be submitted with all requests for purchases in the Zampese system.

Appellants request that in the Examiner's Answer the Examiner verify Appellants' understanding of these findings and make whatever clarifications may be necessary to benefit review of the record by the Board.

The Examiner also asserts that Zampese teaches:

a system in which the credit card number has the same number of digits as the account number (*see column 1 line 20-35*)

[Final Office Action, page 5]. Column 1, lines 20-35, of Zampese is provided here for convenience:

One problem with this method of conducting commerce is the exchange of currency. If the purchaser is forced to send money in the form of a bank check to the retailer, the speed advantage of order processing via the internet is lost. On the other hand, by its nature, the internet is not a secure communication channel and thus, although some retailers allow the purchase of goods and services using a credit card, it is relatively easy for unauthorized people to steal the purchaser's credit card number and then make unauthorized purchases. And, encryption techniques which attempt to prevent such unauthorized uses of private data including credit card account numbers have been less than successful. In addition, these encryption techniques hamper the goals of fast and convenient commerce conducted over the internet.

Appellants request that, to clarify the record, in the Examiner's Answer the Examiner explain how the cited portion of Zampese is being interpreted as teaching the claimed subject matter *in which the credit card number has the same number of digits as the account number*.

#### **4.3. Analysis: Examiner's Findings are Not Supported by Substantial Evidence of Record**

The Examiner's findings are not supported by the only evidence (Zampese) relied upon by the Examiner in rejecting the claims. The Examiner has failed to demonstrate properly that all of the claimed subject matter of any claim was known at the time of invention. The Section 102(e) rejection of Claims 35-42 must be reversed.

There is no teaching or suggestion in Zampese of the claimed subject matter of a *single-use credit card number* (or *credit card number for use only one time*) that is for use in place of an account number that identifies a credit card account, and that has the same number of digits as the account number.

Zampese describes how the “account code 30” and the “transaction code 32” may be combined to “form a string of digits and/or other characters.” Column 3, lines 60-63.

The Examiner finds (1) the *single-use credit card number* having all of the features described above is taught by a combination of the “account code 30” and the “transaction code 32,” and (2) the recited *account number* is taught by the “account code 30.”

In other words, the Examiner’s interpretation requires that Zampese suggests a combination of the “account code 30” and the “transaction code 32,” in which the combination has the same number of digits as the “account code 30” alone. Nothing in Zampese remotely suggests any such combination of the “account code 30” and “transaction code 32” or even a concern with a number of digits of any of the described pieces of information.

In contrast, some embodiments of the present invention provide the advantage that a single-use credit card number may have the same number of digits (e.g., sixteen digits) as a conventional credit card account number, and thus may be submitted to a conventional credit card processing system without requiring modifications to the system to accept identifiers of different sizes (e.g., such as the asserted combination or “string” of the “account code 30” plus the “transaction code 32”).

Nothing in the cited text of Column 1 (or otherwise in Zampese) suggests the specific claimed feature of *in which the credit card number has the same number of digits as the account number* was known or even desirable. Further, the

cited portion, even if it did suggest such subject matter, is clearly disparaging of what is being described in that portion (the described techniques “hamper the goals”), and would teach away from modifying the Zampese system to incorporate what is described in Column 1.

Accordingly, Zampese is not substantial evidence that the feature of a *single-use credit card number having the same number of digits as the account number it is for use in place of* was known prior to Appellants’ invention.

The Examiner has failed to establish a prima facie case of anticipation of any of Claims 35-42 for at least these reasons.

#### **4.4. Conclusion**

To the extent that the Examiner is relying solely upon Zampese as teaching that the particular combination of claimed subject matter of each of Claims 35-42 was known to one of ordinary skill in the art, the Section 102(e) rejection cannot stand. The Examiner has failed otherwise to indicate substantial evidence in support of the Examiner’s assertions as to what was known. Accordingly, the Examiner has failed to establish a prima facie case of anticipation for Claims 35-42. Appellants request reversal of the Section 102(e) rejection of Claims 35-42.

**5. Section 103(a)—Zampese + Bezos**

Appealed Claims 15, 18, 26-32, and 34 stand rejected under 35 U.S.C. § 103(a) as being obvious in light of Bezos and Zampese.

Claims 15 and 18 are independent.

Substantial evidence is required of all factual findings, as discussed above. Absent substantial evidence, no prima facie case of anticipation exists.

The rejection of Claims 15 and 18 is flawed because the Examiner has not made a prima facie case of obviousness:

- the Examiner has failed to establish by substantial evidence of record that the claimed subject matter of *wherein the second account identifier does not include the entire first account identifier and wherein the second account identifier is a single-use account identifier specific to a transaction*, was known at the time of invention
- the Examiner has otherwise failed to provide substantial evidence that the particular claimed subject matter of Claims 15 and 18 would have been obvious at the time of Appellants' invention

**5.1. Applicable Law**

**5.1.1. Prima facie burden**

The examiner bears the initial burden, on review of the prior art or on any other ground, of presenting a prima facie case of unpatentability. If examination at the initial stage does not produce a prima facie case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445, 24 U.S.P.Q.2D 1443, 1444 (Fed. Cir. 1992).



**5.1.2. Claim interpretation must be consistent with the specification**

During examination, claims are given their broadest reasonable interpretation that those skilled in the art would reach, consistent with the specification. In re Hyatt, 211 F.3d 1367, 1372, 54 U.S.P.Q.2D 1664, 1667 (Fed. Cir. 2000); In re Cortright, 165 F.3d 1353, 1359, 49 U.S.P.Q.2D 1464, 1468 (Fed. Cir. 1999). The “PTO applies to verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in applicant’s specification.” In re Morris, 127 F.3d 1048, 1054-55, 44 U.S.P.Q.2D 1023, 1027 (Fed. Cir. 1997).

**5.1.3. Substantial evidence required for all factual findings**

The Board is not permitted to accept conclusory, unsupported findings made by the Primary Examiner that are not supported by substantial evidence made of record.

All findings of fact by the U.S. Patent and Trademark Office must be supported by substantial evidence within the record. In re Gartside, 203 F.3d 1305, 1315, 53 U.S.P.Q.2D 1769, 1775 (Fed. Cir. 2000).

The Supreme Court has described “substantial evidence” in the following manner:

substantial evidence is more than a mere scintilla. It means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion. . . . Mere uncorroborated hearsay or rumor does not constitute substantial evidence.

Consolidated Edison Co. v. NLRB, 305 U.S. 197, 229, 83 L. Ed. 126, 59 S. Ct. 206 (1938); see also, Dickinson v. Zurko, 527 U.S. 150, 162, 50 U.S.P.Q.2D 1930, 1935, 144 L. Ed. 2d 143, 119 S. Ct. 1816 (1999) (“Zurko III”).

“[R]eview under this standard involves an examination of the record as a whole, taking into consideration evidence that both justifies and detracts from the agency’s decision.” Universal Camera Corp. v. NLRB, 340 U.S. 474, 487-88, 95 L. Ed. 456, 71 S. Ct. 456 (1951); Zurko III, 527 U.S. at 162.

#### **5.1.4. Obviousness**

The examiner bears the initial burden of establishing a prima facie case of obviousness based upon the prior art. In re Fritch, 972 F.2d 1260, 1265, 23 U.S.P.Q.2D 1780, 1783 (Fed. Cir. 1992); Oetiker, 977 F.2d at 1445. In the absence of a proper prima facie case of obviousness, an applicant who complies with the other statutory requirements is entitled to a patent. Oetiker, 977 F.2d at 1445.

To reject claims in an application under section 103, an examiner must show an un rebutted prima facie case of obviousness. In re Rouffet, 149 F.3d 1350, 1355, 47 U.S.P.Q.2D 1453, 1455 (Fed. Cir. 1998). The prima facie case is a procedural tool, and requires that the examiner initially produce evidence sufficient to support a ruling of obviousness; thereafter the burden shifts to the applicant to come forward with evidence or argument in rebuttal. In re Kumar, 418 F.3d 1361, 1366, 76 U.S.P.Q.2D 1048, 1050 (Fed. Cir. 2005). The patent applicant may attack the Examiner’s prima facie determination as improperly made out, or the applicant may present objective evidence tending to support a conclusion of nonobviousness. Fritch, 972 F.2d at 1265. When rebuttal evidence is provided, the prima facie case dissolves, and the decision is made on the entirety of the evidence. Kumar, 418 F.3d at 1366; Oetiker, 977 F.2d at 1445.

In Graham v. John Deere Co., 383 U.S. 1, 148 U.S.P.Q. 459 (1966), the Supreme Court established the test for consideration and determination of obviousness under 35 U.S.C. § 103. In Iron Grip Barbell Co. v. USA Sports Inc.,

the Federal Circuit explained how obviousness must be determined using the four-part Graham test:

we employ the four-part test set forth in *Graham v. John Deere Co.*, 383 U.S. 1 (1966). This test requires us to examine

- (1) the scope and content of the prior art;
- (2) the level of ordinary skill in the art;
- (3) the differences between the claimed invention and the prior art; and
- (4) the objective evidence of nonobviousness. *Id.* at 17-18; see also 35 U.S.C. § 103 (2000).

392 F.3d 1317, 1320, 73 U.S.P.Q.2D (BNA) 1225 (Fed Cir. 2004); see also, Rouffet, 149 F.3d at 1355. U.S. Patent and Trademark Office policy is also to follow Graham. Accordingly, examiners should apply the test for patentability under 35 U.S.C. § 103 as set forth in Graham. M.P.E.P. § 2141 “35 U.S.C. 103; the *Graham* Factual Inquiries”, p. 2100-120, 8<sup>th</sup> ed., Rev. 2 (May 2004). Accordingly, during examination an examiner must conduct the four factual inquiries enunciated in Graham in determining obviousness of any claim.

The underlying factual determinations on which a conclusion of obviousness is allegedly based are reviewed to ascertain whether they are supported by substantial evidence. In re Kumar, 418 F.3d at 1365 (citing Gartside, 203 F.3d at 1316). Unsupported assessments of the prior art are unacceptable for purposes of review. “Rather, the Board must point to some concrete evidence in the record in support of these findings. To hold otherwise would render the process of appellate review for substantial evidence on the record a meaningless exercise.” In re Zurko, 258 F.3d at 1385-86. “[D]eficiencies of the cited references cannot be remedied by the Board’s general conclusions about what is ‘basic knowledge’ or ‘common sense,’” nor may the Board simply reach conclusions based on its own understanding or experience. In re Zurko, 258 F.3d at 1385; Lee, 277 F.3d at 1344. “[T]he Board must not only assure that the requisite findings are made,

based on evidence of record, but must also explain the reasoning by which the findings are deemed to support the agency's conclusion." Lee, 277 F.3d at 1344.

A determination of the level of ordinary skill in the art is an integral part of the Graham analysis. Ruiz v. A.B. Chance Co., 234 F.3d 654, 666, 57 U.S.P.Q.2D 1161, 1168 (Fed. Cir. 2000) (citing Custom Accessories Inc. v. Jeffrey-Allan Indus., Inc., 807 F.2d 955, 962, 1 U.S.P.Q.2D 1196, 1201 (Fed. Cir. 1986)). Ascertaining a level of ordinary skill in the art is necessary. M.P.E.P. § 2141.03.

In making the assessment of differences between the prior art and the claimed subject matter, Section 103 specifically requires consideration of the claimed invention "as a whole." Princeton Biochemicals, Inc. v. Beckman Coulter, Inc., 411 F.3d 1332, 1337 75, U.S.P.Q.2D 1051, 1054 (Fed. Cir. 2005); Ruiz v. A.B. Chance Co., 357 F.3d 1270, 1275, 69 U.S.P.Q.2D 1686, 1690 (Fed. Cir. 2004). Inventions typically are new combinations of existing principles or features. Envtl. Designs, Ltd. v. Union Oil Co., 713 F.2d 693, 698, 218 U.S.P.Q. 865, 870 (Fed. Cir. 1983) (noting that "virtually all [inventions] are combinations of old elements"). The "as a whole" instruction in title 35 prevents evaluation of the invention part by part and requires a showing that an artisan of ordinary skill in the art at the time of invention, confronted by the same problems as the inventor and with no knowledge of the claimed invention, would have selected the various elements from the prior art and combined them in the claimed manner. Ruiz, 357 F.3d at 1275.

Whether a rejection is based on a purported combination of relevant teachings of separate references, or on a purported modification of the prior art, an examiner can satisfy the prima facie burden only by showing some objective teaching (either in the prior art or the knowledge generally available to one of ordinary skill) would lead to the purported combination or modification. Fritch, 972 F.2d at 1265-66; Rouffet, 149 F.3d at 1355-56. Also, where the examiner fails

to explain the specific understanding or principle within the knowledge of a skilled artisan that would motivate one with no knowledge of the claimed invention to make an alleged combination of references, the court may infer that the examiner selected the references with the assistance of hindsight, which is forbidden. Lacking a motivation to combine, there is no prima facie case of obviousness. Rouffet, 149 F.3d at 1358. There must be some reason, suggestion, or motivation found in the prior art whereby a person of ordinary skill in the field of the invention would make the combination. That knowledge cannot come from the applicant's invention itself. Oetiker, 977 F.2d at 1447.

“Recognition of an unsolved problem does not render the solution obvious.” Cardiac Pacemakers, Inc. v. St. Jude Medical, Inc., 381 F.3d 1371, 1377, 72 U.S.P.Q.2D 1333, 1337 (Fed. Cir. 2004) (“Recognition of a need does not render obvious the achievement that meets that need. There is an important distinction between the general motivation to cure an uncured disease (for example, the disease of multiple forms of heart irregularity), and the motivation to create a particular cure.”).

A “teaching or suggestion or motivation [to combine]” is an “essential evidentiary component of an obviousness holding.” C.R. Bard, Inc. v. M3 Sys., Inc., 157 F.3d 1340, 1352, 48 U.S.P.Q.2D 1225, 1232 (Fed. Cir. 1998). Evidence of a suggestion, teaching, or motivation to combine may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature of the problem to be solved. In re Dembiczak, 175 F.3d 994, 999, 50 U.S.P.Q.2D 1614, 1617 (Fed. Cir. 1999); see also, e.g., Nat'l Steel Car, Ltd. v. Canadian Pac. Ry., Ltd., 357 F.3d 1319, 1337-39, 69 U.S.P.Q.2D 1641, 1655-56 (Fed. Cir. 2004) (finding that whether or not a drawing and disclosure had been disseminated to a sufficiently broad public so as to give either the status of a prior art reference, they (and corresponding witness testimony) were

evidence relevant to whether a motivation to combine was implicit in the knowledge of one of ordinary skill in the relevant art).

“The range of sources available, however, does not diminish the requirement for actual evidence” showing the teaching or motivation to combine—“particular findings regarding the locus of the suggestion, teaching, or motivation to combine the prior art references” must be made. Dembiczak, 175 F.3d at 999-1000 (“Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor’s disclosure as a blueprint for piecing together the prior art to defeat patentability--the essence of hindsight.”). See also, In re Kotzab, 217 F.3d 1365, 1371, 55 U.S.P.Q.2D 1313, 1317 (Fed. Cir. 2000) (“Whether the Board relies on an express or an implicit showing [of a teaching, motivation, or suggestion to combine or modify], it must provide particular findings related thereto.”)

Any findings of prior knowledge in the field of the invention (including purported motivations to combine) must be supported by tangible teachings of materials made of record. Cardiac Pacemakers, 381 F.3d at 1376 (“Prior knowledge in the field of the invention must be supported by tangible teachings of reference materials “); Gambro Lundia AB v. Baxter Healthcare Corp., 110 F.3d 1573, 1578-79, 42 U.S.P.Q.2D 1378, 1383 (Fed. Cir. 1997) (“However, the record must provide a teaching, suggestion, or reason to substitute computer-controlled valves for the system of hoses in the prior art. The absence of such a suggestion to combine is dispositive in an obviousness determination.”).

## **5.2. Examiner’s Factual Findings**

The Examiner acknowledges that Zampese does not teach or suggest a second account identifier that is for use in place of a first account identifier yet

does not include the entire first account identifier, as recited in Claims 15 and 18.  
[Final Office Action, page 5].

The Examiner asserts: “However, Bezos teach or suggest a system wherein the second identifier does not include the entire first account identifier (see abstract, summary of the invention, column 6 lines 44-7 line 50).” [Final Office Action, page 5].

### **5.3. Examiner’s Findings are Not Supported by Substantial Evidence of Record**

The record cannot support the Examiner’s rejection of Claims 15, 18, 26-32, and 34 as being obvious in light of Bezos and Zampese.

Bezos teaches sending only a subset of a credit card account number when placing an order over an unsecured computer network. The customer must then provide the complete credit card number. An order is finalized if the complete credit card data matches the corresponding portion initially sent.

Bezos clearly teaches that a complete credit card account number is required to finalize a transaction, and does not remotely suggest that the portion of the credit card number can be used to authorize any transaction, or that the portion is for use in place of the entire credit card account number.

Also, neither the portion nor the complete credit card number discussed in Bezos are specific to a particular transaction. Accordingly, the proposed combination of subject matter would not provide for all of the features of any of independent Claims 15 and 18, which allow for authorization of second account identifiers that *do not include the entire first account identifier and are a single-use account identifier specific to a transaction.*

The Examiner has failed to establish a prima facie case of obviousness of Claims 15, 18, 26-32, and 34 for at least these reasons.

**5.4. No evidence of a motivation to combine the asserted teachings**

In addition, there is no suggestion, supported by evidence of record, to combine the asserted subject matter. As discussed above, Bezos clearly teaches that a complete credit card account number is required to finalize a transaction. Bezos thus teaches away from the Examiner's proposed combination and does not teach or suggest a second account identifier that could be authorized or for use in place of a first account identifier.

The Examiner does not articulate a clear explanation of what the proposed modification to Zampese is exactly, and Appellants request that the Examiner clarify this in the Examiner's Answer. Appellants assume the Examiner is suggesting that it would have been obvious to modify the Zampese system to accept only a portion of the "account code 30." If so, the Examiner's proposed modification must destroy the principle of operation of Zampese, and Appellants submit that the cited references teach away from such a modification. Only a portion of the "account code 30" would not suggest a second account identifier that could be authorized or for use in place of another account identifier. Further, Bezos describes that it is desirable that the customer always provide the entire account number later. This would "hamper the goals" described in Zampese of rapid commerce. Accordingly, the evidence of record does not support the Examiner's finding that there is a suggestion in the prior art to combine the cited subject matter in a manner that would provide for all of the features of any pending claim.

The Examiner has failed to establish a prima facie case of obviousness of Claims 15, 18, 26-32, and 34 for at least these reasons.



### **5.5. Conclusion**

To the extent that the Examiner is relying solely upon Bezos and Zampese as teaching that the particular combinations of claimed subject matter of Claims 15, 18, 26-32, and 34 were known to one of ordinary skill in the art, the Section 103(a) rejection cannot stand. The Examiner has failed otherwise to indicate substantial evidence in support of the Examiner's assertions as to what was known, or a motivation to make the proposed modification of the Zampese system. Accordingly, the Examiner has failed to establish a prima facie case of obviousness for Claims 15, 18, 26-32, and 34. Appellants request reversal of the Section 103(a) rejection of Claims 15, 18, 26-32, and 34.

## CONCLUSION

Thus, the Examiner's rejection of the pending claims is improper at least because the Examiner has not provided a proper legal basis for rejecting any claim as anticipated or obvious. Therefore, Appellants respectfully request that the Examiner's rejections be reversed.

If any issues remain, or if there are any further suggestions for expediting allowance of the present application, please contact Appellants' representative using the information provided below.

Appellants hereby request any extension of time that may be required to make this Appeal Brief timely. Please charge any fees that may be required for this paper, or credit any overpayment, to Deposit Account No. 50-0271.

Respectfully submitted,

April 9, 2007  
Date

/Michael Downs 50252/  
Michael Downs  
Attorney for Appellants  
Registration No. 50, 252  
Walker Digital, LLC  
mdowns@walkerdigital.com  
(203) 461-7292 /voice  
(203) 461-7300 /fax

## **APPENDIX A—CLAIMS INVOLVED IN THE APPEAL**

Claims 15, 18, 26-32, and 34-42 are being appealed.

Appealed Claims 15, 18, and 35-37 are independent.

15. An apparatus, comprising:

a processing unit;

an input device in communication with said processing unit, said input device operable to input a second account identifier for use in place of a first account identifier thereto;

a transmitting/receiving device in communication with said processing unit, said transmitting/receiving device operable to (i) transmit the second account identifier to a central credit card processing system maintained by a credit card issuer for verification thereof and (ii) receive information from the credit card processing system regarding authorization of the second account identifier; and

an output device in communication with said processing unit, said output device operable to output the information regarding authorization of the second account identifier,

wherein the second account identifier does not include the entire first account identifier,

wherein the second account identifier is a single-use account identifier specific to a transaction, and

wherein the processing unit is in communication with the central credit card processing system maintained by the credit card issuer.

18. A method, comprising:  
providing a processing unit, wherein the processing unit is in communication with a central credit card processing system maintained by a credit card issuer;  
inputting a second account identifier to said processing unit;  
transmitting the second account identifier to the central credit card processing system for verification thereof;  
receiving information from the central credit card processing system regarding authorization of a transaction based on said verification; and  
outputting the information regarding authorization of the transaction,  
wherein the second account identifier is an account identifier for use in place of a first account identifier and is specific to the transaction,  
wherein the second account identifier does not include the entire first account identifier.

26. The method of claim 18, wherein the second account identifier is transmitted to an issuer associated with the first account identifier.

27. The method of claim 18, wherein the processing unit is associated with a merchant.

28. The method of claim 18, wherein the second account identifier is received from a customer as a means of payment for the transaction.

29. The method of claim 28, further comprising:  
causing to be delivered to the customer, after receiving information regarding authorization of the transaction, at least one of at least one good and a least one service associated with the transaction.

30. The method of claim 28, wherein the transaction comprises a transaction conducted over at least one of the Internet and the telephone.

31. The method of claim 28, wherein the customer is in a location that is remote from the processing unit.

32. The method of claim 18, wherein the information regarding authorization includes an authorization code.

34. The method of claim 18, wherein the second account identifier comprises a sixteen-digit identifier.

35. A method comprising:  
receiving a product identifier that identifies a product,  
in which the product is associated with a transaction;  
receiving a credit card number from a customer as payment for the transaction,  
in which the credit card number is for use only one time,  
in which the credit card number is for use in place of an account number that identifies a credit card account, and  
in which the credit card number has the same number of digits as the account number;  
transmitting the credit card number for authorization of the transaction;  
receiving information indicating whether the transaction is authorized; and  
providing the product to the customer if the transaction is authorized.

36. A method comprising:

receiving a product identifier that identifies a product,  
in which the product is associated with a transaction;  
receiving a single-use credit card number from a cardholder,  
in which the single-use credit card number is for use only one time,  
in which the single-use credit card number is for use in place of an  
account number that identifies the cardholder, and  
in which the single-use credit card number has the same number of  
digits as the account number;  
determining a transaction amount that is associated with the transaction;  
after receiving the single-use credit card number from the cardholder,  
transmitting the single-use credit card number and the transaction amount to a  
credit card issuer for authorization of the transaction;  
receiving information from the credit card issuer indicating whether the  
credit card account has sufficient credit available for the transaction; and  
providing the product to the customer based on the information from the  
credit card issuer.

37. A method comprising:  
receiving, at a terminal of a merchant, a single-use credit card number,  
in which the single-use credit card number is for use only one time,  
in which the single-use credit card number is for use in place of an  
account number that identifies a credit card account, and  
in which the single-use credit card number has the same number of  
digits as the account number;  
receiving, at the terminal, an indication of an amount of a purchase;  
after receiving the single-use credit card number at the terminal,  
transmitting, from the terminal, the single-use credit card number and the amount  
of the purchase to a credit card issuer for authorization of the purchase; and  
receiving, at the terminal, information from the credit card issuer indicating  
whether the purchase is authorized.

38. The method of claim 37, in which receiving the single-use credit card  
number comprises:

receiving the single-use credit card number via the Internet.

39. The method of claim 37, in which receiving the single-use credit card  
number comprises:

receiving the single-use credit card number via a telephone.

40. The method of claim 37, further comprising:

providing the product to a customer if the purchase is authorized.

41. The method of claim 37, further comprising:  
receiving, at the terminal, information from the credit card issuer indicating whether the credit card account has sufficient credit available for the purchase.

42. The method of claim 37, further comprising:  
receiving, at the terminal, information from the credit card issuer indicating whether the single-use credit card number is valid.



**APPENDIX B—EVIDENCE**

<NONE>

**APPENDIX C—RELATED PROCEEDINGS**

<NONE>